

Outlined below are several clarifications CMS would like to make with respect to the January 23, 2006 IPF PPS proposed rule. We intend to include the following in a correction notice to the proposed rule:

- In Table 11 (71 FR 3632), which includes the adjustment factors for comorbidity categories, we published an incorrect adjustment factor of 1.11 for Severe Musculoskeletal and Connective Tissue Diseases. The correct factor is **1.09**, as published in the Comorbidity Adjustments table in Addendum A (71 FR 3656).

- We stated that we apply the standardization factor and the wage index budget neutrality factor to the CY 2006 OPPS median cost for Electroconvulsive Therapy (ECT). We inadvertently left out the adjustments for behavioral offset, stop-loss, and outliers when we calculated the ECT base rate. These adjustments were applied to the median cost for ECT in the implementation year, and we did not propose any changes to this methodology. In addition, we intended to be consistent with how we adjust the Federal per diem base rate. Therefore, for RY 2007, while we published a proposed ECT rate of \$268.21, the amount should have been published as **\$254.86**.

- In the regulatory impact analysis, we incorrectly stated that "the expenditures from the IPF PPS implementation year to the 2007 IPF PPS RY will be increased by \$180 million." The total increase in expenditures from the implementation year to RY 2007 is actually **\$170 million**. We note that later in the impact analysis we provide an estimate of the changes attributed to the proposed rule. That amount is correctly presented as \$180 million.

- In Addendum A, under the Variable Per Diem Adjustments table, for Day 1 (on both lines), we indicate an adjustment factor for a facility with or without a 24/7 Full-service ED. In order to be consistent with our definition of an ED, and to be consistent with the correction notice (70 FR 16724) to the November 15, 2004 IPF PPS final rule (69 FR 66922), the table should read **'Qualifying ED'**.

- In Addendum B, at the end of the Wage Index Table, we inadvertently included a sentence that refers to the "transition wage index value". Since we are not proposing a blended transition from MSA-based labor market definitions to CBSA-based labor market definitions, this sentence should be ignored.